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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91218523
Party	Plaintiff Oakhurst Industries, Inc. DBA Freund Baking Co.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

OAKHURST INDUSTRIES, INC. DBA FREUND BAKING CO.,)	Opposition No. 91218523
)	
Opposer,)	Application Serial No. 86/139,432
)	Mark: FREUND'S FAMOUS
)	Filing Date: December 10, 2013
)	
v.)	Application Serial No. 86/139,577
)	Mark: 
)	Filing Date: December 10, 2013
)	
13 TH AVE FISH MARKET INC. DBA FREUND'S FISH,)	
Applicant)	
)	
)	

**OPPOSER OAKHURST INDUSTRIES, INC. DBA FREUND BAKING CO.'S REPLY IN SUPPORT OF
MOTION TO STRIKE APPLICANT'S AFFIRMATIVE DEFENSES**

In its Memorandum of Law in Opposition to Opposer's Motion to Strike ("**Opp.**"), Applicant 13th Ave Fish Market Inc. DBA Freund's Fish ("**Applicant**") argues that some of its affirmative defenses should not be stricken. In the same filing, Applicant is *also* seeking leave to amend its Answer to Notice of Opposition ("**Answer**"), *in addition to* requesting the scheduling of a discovery/settlement conference with the participation of the presiding Interlocutory Attorney. But, the Trademark Trial and Appeal Board Manual of Procedure ("**TBMP**") requires that "all motions should be filed separately..." TBMP §502.02(b). In other words, "...a party should not embed a motion in another filing..." *Prakash Melwani v. Allegiance Corporation* 97 U.S.P.Q.2d 1537 (TTAB 2010). As such, each of these filings should have been filed on their own.

Each of the embedded motions within Applicant's Opposition to Opposer's Motion to Strike is fatally flawed, because: i) giving leave to amend Applicant's Answer would be futile, ii) Applicant's arguments in support of its affirmative defenses ignore Opposer's cited authority and the relevant rules and iii) Applicant's embedded request for a discovery and settlement conference with the Interlocutory Attorney is improper and premature. As such, and for the reasons stated below, the Board should grant Opposer's Motion to Strike in its entirety, and not entertain the rest of Applicant's requests embedded within its Opposition to the Motion to Strike.

I. LEAVE TO AMEND SHOULD NOT BE GRANTED

Applicant's request for leave to amend its Answer should not be granted because giving leave to amend would be futile and would cause prejudice to Opposer.¹ Applicant is seeking to add impermissible matter to its Eighth Affirmative Defense, which, as Opposer already explained in its Motion to Strike, was already impermissibly and insufficiently plead. The matter that Applicant seeks to add alleges that "Opposer thus has no rights to assert in such mark, it never having been used or, if it was used, Opposer has abandoned its rights in the mark" along with a proposed new citation to the Trademark Manual of Examining Procedure (Opp. at 2) are, for the reasons stated below, just as inapplicable and irrelevant and impermissible as the old material Applicant included in its previous version of this defense.

"...[W]here the moving party seeks to add a new claim or defense, and the proposed pleading thereof is legally insufficient, or would serve no useful purpose, the Board normally will deny the motion for leave to amend." TBMP §507.02. "...[F]utile amendments should not be permitted." *Klamath-Lake Pharm. Ass'n v. Klamath Med. Serv. Bureau*, 701 F.2d 1276, 1293 (9th Cir. 1983). As Opposer explains in greater detail in the below Section II.F., the matter that Applicant is seeking to add to the Eighth Affirmative Defense is being used as an impermissible collateral attack on one of Opposer's registrations, which the Board would not allow anyway, making leave to amend futile.

Applicant claims that "...the amendments clarify certain affirmative defenses..." and "....will thus serve to streamline and focus this proceeding..." Opp. at 3. However, this is not the case, because the Eighth Affirmative Defense would be muddled with additional insufficiently pleaded and unclear claims as explained in Section II.F. Accordingly, Applicant's proposed amendment would not "streamline" or "focus" this proceeding. If the amendments are allowed, Opposer will be prejudiced because it will be forced to incur the expense of conducting discovery regarding defenses that are inapplicable to this case.

¹ In support of Applicant's Motion to Amend its Answer to Notice of Opposition, Applicant cites Trademark Rule 2.133 and TBMP 514.02. Opp. at 1. The foregoing provisions deal with amendment of applications and registrations during Board proceedings. Since Applicant has not stated that it wishes to amend its applications, it is unknown why Applicant has cited such inapplicable provisions.

II. ALL OF APPLICANT'S AFFIRMATIVE DEFENSES SHOULD BE STRICKEN

Applicant argues that Motions to Strike are disfavored. Opp. at 3. In so doing, Applicant ignores a number of decisions cited by Opposer in which the Board granted a motion to strike affirmative defenses. The Board should do so here as well and grant the motion.

A. APPLICANT'S FIRST AND SEVENTH AFFIRMATIVE DEFENSES

In its Opposition to the Motion to Strike, Opposer chose not to defend its First Affirmative Defense ("Opposer fails to state a claim upon which relief can be granted.") and Seventh Affirmative Defense ("Opposer's claims are barred due to laches and acquiescence.") against Opposer's arguments. Applicant has also stated that it wishes to remove such defenses from its Answer. Opp. at 2. As such, Opposer is treating such defenses as conceded.

B. APPLICANT'S SECOND AFFIRMATIVE DEFENSE

Applicant's argument in support of its Second Affirmative Defense falls short because the content of the Second Affirmative Defense as stated in the Answer conflicts with what Applicant claims it means. Applicant alleges that the Second Affirmative Defense is stating that there is no likelihood of confusion with respect to its mark and goods as set forth in its applications. Opp. at 4. However, the Second Affirmative Defense as stated in the Answer does not make reference to Applicant's applications, nor does it define which goods Applicant is referring. In the Notice of Opposition, Opposer had stated that Applicant has produced and sold products additional to the ones as stated in its applications under the marks that are the subject of this case. Notice of Opposition at ¶ 26. Since Applicant's Second Affirmative Defense is unclear about whether or not the goods it makes reference to are those under its application, it is inadequately plead and is thus insufficient under Rule 12(f) of the Federal Rules of Civil Procedure ("**FRCP**"). Moreover, under FRCP §12(f) it is redundant of Applicant's denial of Opposer's allegations, supporting another reason why it should be stricken.

C. APPLICANT'S THIRD AND FOURTH AFFIRMATIVE DEFENSES

Applicant's weak arguments in support of its Third and Fourth Affirmative Defenses rely on a questionable definition of the phrase "entirely consistent", an interesting perception of the concept of time, and a lack of understanding of the relevance in Board proceedings of first use dates as stated in trademark applications. For Applicant to argue that the applied-for first use date of October 1, 2013 for its Application Serial Nos. 86/139,432 and 86/139,577 is "entirely consistent" with now claiming first use dates of forty years ago for one mark and five years ago for the other

(Opp. at 4), is to claim that any date, even 100 years ago, is “entirely consistent” with the stated first use date in those applications. It is telling that Applicant did not cite authority nor give any explanation to back up this argument. Moreover, Applicant declined to address how (as Opposer pointed out in the Motion to Strike) its claimed new first use dates completely contradict Applicant’s statement in Paragraph 57 of the Answer that its stated first use date in Application Serial No. 86/139,577 is correct.

Furthermore, Applicant’s attempt to equate the first use dates as stated in its Application with much earlier dates is of no value considering that “[t]he allegation of a date of use of a mark made in the application...is not evidence in the proceeding on behalf of the applicant...” TBMP §704.04. *See also MG Recordings, Inc. v. Charles O’Rourke*, 92 USPQ2d 1042, 1047 (TTAB 2009). Applicant did not state it has any evidence of such earlier use dates. The contradiction and inconsistencies inherent in these affirmative defenses make them inadequately plead and thus impermissible under FRCP §12(f).

Applicant does not explain how its allegation of lack of actual confusion is not redundant of its earlier denials of likelihood of confusion in the Answer. This inherent redundancy coupled with the abovementioned contradiction, inconsistency and lack of clarity make these inadequately plead and thus impermissible under FRCP §12(f).

D. APPLICANT’S FIFTH AND SIXTH AFFIRMATIVE DEFENSES

Applicant does not make any effort to rebut Opposer’s claim of redundancy for both of these affirmative defense. In fact, Applicant admits its Sixth Affirmative Defense is redundant of its denial of Paragraph 35 of the Notice of Opposition. Opp. at 5. Accordingly, these defenses are redundant and should be stricken per FRCP §12(f).

E. APPLICANT’S EIGHTH AFFIRMATIVE DEFENSE

Applicant’s allegation that Section 1301.04 of the Trademark Manual of Examining Procedure (“TMEP”) is applicable to this proceeding is incorrect. Applicant is misusing this provision in its Answer to assert an impermissible collateral attack on Opposer’s Registration No. 4,500,792, by making the claim that it is “defective”. Opp. at 6. As such, the Board will not and should not entertain Applicant’s Eighth Affirmative Defense. It is thus an insufficient and impermissible defense that should be struck per FRCP §12(f).

This defense is further misplaced due to its unclear, insufficiently plead, scattershot grab-bag of claims that Applicant feebly fumbles for as “...nonuse of the mark, or alternatively,

abandonment of use of the mark, so that there are no rights in it.”² Opp. at 6. (Applicant is also proposing amending its Answer to add the foregoing explanation to the Eighth Affirmative Defense. Opp. at 2.) Applicant has not alleged any facts regarding nonuse or abandonment of Opposer’s Registration No. 4,500,792. Nor has Applicant made any attempt to make a prima facie showing of abandonment, which would involve stating that the alleged nonuse of the mark ensued for three years or more. 15 U.S.C. §1127. Nor has Applicant alleged abandonment through discontinuance of use with intent not to resume use. Id. It is simply impossible for Applicant to allege abandonment because Registration No. 4,500,792 was applied for on May 30, 2013, with its registration issuing on March 25, 2014. For all of the foregoing reasons, the Eighth Affirmative Defense should be stricken per FRCP §12(f).

III. APPLICANT’S REQUEST FOR A DISCOVERY CONFERENCE WITH THE INTERLOCUTORY ATTORNEY SHOULD BE DENIED

Applicant is attempting to mislead the Board into thinking that Opposer’s counsel is uncooperative by stating that “...opposing counsel did not reach out to counsel for Applicant about scheduling a discovery and settlement conference within the December 4, 2014 deadline...” Opp. at 6. By the Board’s original scheduling order dated September 25, 2014, the original set deadline to file the Answer was November 4, 2014. However, Applicant filed its answer one day late on November 5, 2014 along with a Motion to Enlarge Time by One Day to Answer to Notice of Opposition (“**Motion to Enlarge**”), in which Applicant stated that the reason it was filing its answer late was due to a “docketing error”.³ Motion to Enlarge at 1. “Although the Board did not issue an order to show cause why default should not be entered against [A]pplicant for failure to file a timely answer, [A]pplicant technically was in default...” on November 5, 2014. *Universal City Studios LLLP, Substituted for Universal City Studios, Inc. v. Valen Brost*, OPPOSITION 91153683, 2003 WL 22415603, at *1 (TTAB 2003)(citing Trademark Rule 2.106(a); Fed. R. Civ. P. 55(a).). When the defendant is in default, the parties’ obligation to conference is effectively stayed. TBMP §312.01.

² The Eighth Affirmative Defense’s lack of clarity weakly seemed to reach toward an allegation of fraud, with insufficient facts plead, which is why Opposer argued this in the Motion to Strike. It is not Opposer’s fault if Applicant’s unclear pleading makes it hard to construe what claim Applicant is making. Unclear pleading is yet another reason this defense should be stricken.

³ It should be noted that in the Motion to Enlarge, Applicant’s counsel mentions that it telephoned Opposer’s counsel to seek his consent to the motion but his call was not returned. Motion to Enlarge at 2. What Applicant’s counsel failed to say was that he did not call Opposer’s counsel until November 5, 2014, one day after the Answer was due. Opposer was unavailable when Applicant’s counsel called. Applicant’s counsel went ahead and filed its Answer and Motion to Enlarge soon after the time of the message he left for Opposer’s counsel.

“If default is set aside, the Board will reset the deadline for the discovery conference as well as all subsequent dates.” *Id.* This is indeed what the Board did, on November 29, 2014, when it granted Applicant’s Motion to Enlarge and accepted Applicant’s late-filed Answer. The Board’s November 29, 2014 order reset the deadline for the discovery conference to *January 7, 2015*. More than a month after the Board’s order which reset the discovery conference deadline, Applicant made the erroneous statement that the deadline for the discovery conference was December 4, 2014. Opp. at 6.

Moreover, it is disingenuous for Applicant to suggest that Opposer’s filing of the Motion to Strike was a choice to ignore having a discovery conference. Opp. at 6. A motion to strike is an option for either party in a proceeding. TBMP §506 et. seq., citing FRCP 12(f). Furthermore, Opposer filed its Motion to Strike on December 1, 2014, a mere two days after the Board’s November 29, 2014 order resetting the remaining dates in the proceeding and more than a month before the deadline for the discovery conference. And, the Motion to Strike effectively suspended the proceeding, staying the date for the discovery conference. It would not have made sense for Opposer to reach out to Applicant to schedule the discovery conference in the two days in between the Board’s order and Opposer’s Motion to Strike, nor would it have made to sense to schedule it before the Board issued a ruling on the Motion to Strike, since the Board’s decision would necessarily affect what is to be discussed in the discovery conference.

Applicant is attempting to paint Opposer as uncooperative by implying that the obligation to schedule a discovery conference is a unilateral one, resting solely with Opposer (“...opposing counsel did not reach out to counsel for Applicant about scheduling a discovery and settlement conference...” Opp. at 6). However, “...each party is equally obligated to ensure that a discovery conference takes place by the assigned deadline.” *Prakash Melwani v. Allegiance Corporation*, 97 U.S.P.Q.2d 1537 (TTAB 2010). *See Promgirl, Inc. v. JPC Co.*, 94 USPQ2d 1759 (TTAB 2009) (responsibility to schedule conference is a shared responsibility); *Guthy-Renker Corp. v. Boyd*, 88 USPQ2d 1701, 1703 (TTAB 2008) (“it is the equal responsibility of both parties to ensure that the discovery conference takes place by the assigned deadline”); and *Influence, Inc. v. Zuker*, 88 USPQ2d 1859, 1860 n.2 (TTAB 2008) (holding discovery conference is a mutual obligation). Nevertheless, Applicant should have been keeping note of the schedule for this proceeding, because “[b]oth parties bear the responsibility for following the trial schedule as ordered.” *Prakash Melwani*, 97 U.S.P.Q.2d 1537.

Applicant's Opposition to the Motion to Strike is Applicant's first mention of wishing to schedule a discovery conference. Opposer and Applicant were in communication after the Motion to Strike was filed and before Applicant filed its Opposition to the Motion to Strike. In such communications, Applicant did not mention anything about wishing to schedule a discovery conference. Furthermore, Applicant explicitly consented to the suspension of the proceedings pending the Motion to Strike (Opp. 6-7). Usually, parties communicate via email or phone to schedule a discovery conference. They do not embed their request for a discovery conference within a totally unrelated motion. Also, interlocutory attorneys should be brought in only when a party is refusing to cooperate in scheduling the discovery conference. TBMP §408.01(a). The parties have not yet discussed scheduling the discovery conference, especially since the Motion to Strike is pending, with its disposition easily affecting what is to be discussed for the discovery conference. As such, no one has refused to participate in the discovery conference.

Moreover, Applicant did not request the Interlocutory Attorney's participation correctly. Id. Per the Board's order of September 25, 2014 instituting the proceeding, Applicant could only request Board participation in the discovery conference if the parties had agreed on possible dates and time for the conference, in which case Applicant was supposed to then lodge the request via the Electronic System for Trademark Trials and Appeals or a telephone call to the Interlocutory Attorney. None of these things happened.

Additionally, even after the Motion to Strike is decided, it is unnecessary to involve the Interlocutory Attorney's involvement in the discovery conference, because there has been no problem requiring such involvement. Applicant's counsel wants to have the Interlocutory Attorney involved in the discovery conference so that he can tell the Interlocutory Attorney that he wants to stipulate to service via email. Opp. at 7. Once again, Applicant's counsel is trying to paint Opposer's counsel as uncooperative by stating Opposer's counsel "...has previously declined counsel for Applicant's request for service via email." Opp. at 6. Applicant's counsel failed to state that in actuality, during Opposer and Applicant's communications regarding giving Applicant an extension to oppose the motion to strike, Opposer and Applicant agreed to service by mail of the Opposition to the Motion to Strike *with* a courtesy copy of such document concurrently sent via email. Applicant then did as agreed with its Opposition to the Motion to Strike. This agreement regarding service of papers is a perfectly acceptable compromise to Applicant and Opposer's positions, and is used quite frequently in Board proceedings. Opposer is willing to stipulate to

having service by mail with a courtesy email copy sent to counsel for all filings in this proceeding. Regardless, Opposer is willing to discuss this issue further with Applicant in a discovery conference between the two parties after the Motion to Strike is decided. In addition, Applicant's counsel has stated that his address "...has no difficulty receiving service." Opp. at 6. Applicant's counsel has never informed Opposer's counsel it had any problems receiving any documents in this proceeding previous to the Motion to Strike. It is entirely possible that Applicant's alleged delay in receiving the Motion to Strike was due to a one-time fluke with the United States Postal Service. As such, Opposer does not see the need to escalate such a minor issue further to involve the Board, especially since a perfectly valid compromise as stated above exists.

Opposer is confident that once the Motion to Strike is decided, and the dates of proceeding are reset, including the date for the deadline of the discovery conference, that Applicant and Opposer will be able to schedule and conduct a discovery conference by themselves. It is simply not necessary to involve the Board at this point and is frankly premature.

Lastly, Applicant embedded in its Opposition to the Motion to Strike a statement regarding its belief that Opposer's descriptiveness claim against Applicant's Application Serial No. 86/139,577 is "baseless" and that Applicant's counsel want to discuss this with the Interlocutory Attorney in a discovery conference. Opp. at 7. Opposer has adequately asserted its standing to maintain the proceeding and has adequately asserted that valid grounds exists for denying registration to the marks that are at issue in this proceeding, including the ground of descriptiveness against Applicant's Application Serial No. 86/139,577. TBMP §503.02. "If a plaintiff can show standing on one ground, it has the right to assert any other grounds in an opposition." TBMP §309.03(b). Opposer demonstrated its standing on more than one ground in the Notice of Opposition and adequately pleaded facts showing descriptiveness for Applicant's Application Serial No. 86/139,577. For all of the foregoing reasons, any request or suggestion to have this claim dismissed should be disregarded.

CONCLUSION

For all of the foregoing reasons, Opposer respectfully requests that all of Applicant's affirmative defenses should be stricken because they are insufficiently pleaded, improper, or otherwise inapplicable. If these affirmative defenses are not stricken, Opposer will be prejudiced as it is forced to devote resources and time to engage in needless and burdensome discovery on these issues. Moreover, because Applicant cannot cure the defects in its legally insufficient, improper and

inapplicable “affirmative defenses,” especially its Eighth Affirmative Defense, they should be stricken with prejudice, and without leave to amend. Moreover, as stated above, the request for the Interlocutory Attorney’s involvement in the discovery conference should not be entertained.

Respectfully Submitted,

/Steven Freund/

Dated: January 20, 2015

By: _____

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PROOF OF SERVICE

I hereby certify that **OPPOSER OAKHURST INDUSTRIES, INC. DBA FREUND BAKING CO.'S**
REPLY IN SUPPORT OF MOTION TO STRIKE APPLICANT'S AFFIRMATIVE DEFENSES is being
electronically transmitted in PDF format to the Trademark Trial and Appeal Board through the
Electronic System for Trademark Trials and Appeals (ESTTA) on the date indicated below.

I hereby further certify that a true and complete copy of the foregoing **OPPOSER**
OAKHURST INDUSTRIES, INC. DBA FREUND BAKING CO.'S REPLY IN SUPPORT OF MOTION TO
STRIKE APPLICANT'S AFFIRMATIVE DEFENSES was served on counsel for Applicant at the following
address by First Class U.S. Mail, postage prepaid, on the date indicated below:

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Date: January 20, 2015